

AN ACT
RELATING TO EQUIPMENT DEALERSHIP AGREEMENTS BY PROVIDING FOR
SUPPLIER LIABILITY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 322F.7, unnumbered paragraph 1, Code 2011, is amended to read as follows:

~~A supplier violates~~ A violation of this chapter if the
includes but is not limited to a supplier does doing any of the
following:

Sec. 2. Section 322F.8, subsection 1, paragraph a,
subparagraph (1), Code 2011, is amended to read as follows:

(1) A dealer may bring a legal action against a supplier
for damages sustained by the dealer as a consequence of
the supplier's violation of any provision of this chapter,
including but not limited to a violation described in section
322F.7. A supplier violating this chapter shall compensate the
dealer for damages sustained by the dealer as a consequence of
the supplier's violation, together with the actual costs of the
action, including reasonable attorney fees.

Sec. 3. Section 322F.8, subsection 2, Code 2011, is amended
to read as follows:

2. a. If the payment or allowance of equipment repurchased
pursuant to section 322F.3 is not made as required, or the
supplier is found liable for damages pursuant to subsection
1, paragraph "a", subparagraph (1), the amount due ~~bears to~~
the dealer shall bear interest at the rate of one and one-half
percent per month calculated from the date that the dealership
agreement was terminated.

b. ~~If upon~~ Upon termination of a dealership agreement
by nonrenewal or cancellation, by a dealer or supplier, if

the supplier fails to make payment or credit the account of the dealer as provided in any provision of this chapter, the supplier is liable in a civil action brought by the dealer for the repurchase amount set forth in section 322F.3, plus interest as calculated pursuant to paragraph "a". The supplier's civil liability as provided in this paragraph shall be in addition to and not in lieu of any remedy provided by subsection 1, paragraph "a", subparagraph (1).

KRAIG PAULSEN
Speaker of the House

JOHN P. KIBBIE
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 329, Eighty-fourth General Assembly.

W. CHARLES SMITHSON
Chief Clerk of the House

Approved _____, 2011

TERRY E. BRANSTAD
Governor